



State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER **Executive Director**

Division of Oil, Gas & Mining

> JOHN R. BAZA Division Director



GARY R. HERBERT Lieutenant Governor

June 16, 2005

Mr. Page van Loben Sels Earth Energy Resources, Inc. One Beechwood Drive Oakland, California 94618

Subject: Deficient Notice of Intention to Commence Small Mining Operations; Earth

Energy Resources, Inc.; Leonard Murphy No. 1 Mine; S/019/059; Grand County; Utah

Dear Mr. van Loben Sels:

The Division of Oil, Gas and Mining received the referenced Notice of Intention to Commence Small Mining Operations on May 19, 2005, and forwarded a copy to the Division of Water Quality. We have not yet received their comments but anticipate they will need further information.

The notice is mostly complete, but in order for us to calculate an accurate reclamation surety we would like a list of equipment that will be used to process the tar sands. We need any information that would help us make a reclamation cost estimate. For example, you indicated in a telephone conversation that the equipment will be on skids. Please provide this and other pertinent information in writing. You and the Division will probably want to have some buffer in the bond amount so it doesn't have to change if you bring in additional equipment.

Please provide this information by June 30, 2005. If you have questions about the type of information needed, please call Paul Baker at (801) 538-5261. Thank you for your cooperation.

Sincerely,

Susan M. White

Mining Program Coordinator

Turan M. White

Minerals Regulatory Program

SMW:PBB:ib

Will Stokes, SITLA